

Contract Exchange Structures: Measures for Multi-Mode Affiliation Networks

Julia L. Carboni

School of Public and Environmental Affairs

Indiana University – Purdue University Indianapolis

Abstract

Government increasingly contracts out multiple social service programs to a single organization, yet has little understanding of the risk associated with dependence on a single organization. In this paper, I use network concepts to develop structural measures for underlying, common affiliations among programs in service delivery networks. Understanding the underlying structure of common affiliations among contracted programs has practical implications for governance, in terms of understanding government dependence on a particular organization, effects of structure on an individual programs' incentive to perform, and risk associated with organizational failure. This paper makes three contributions to the public administration literature. First, I explore the influence of structure on individual incentives to perform along with risks of organizational failure for government-funded services. Second, I make the case that contracts are embedded in larger networked system of exchange. Third, I developed a measure that captures the breadth and depth organizational competition within and across sub-networks in multi-mode affiliation networks.